

HHS, with the cooperation and effort of other government and non-government organizations, manages over 300 programs that aim to improve the health and well being of Americans.

The key programs, which are discussed in this report, are well known to the American public. They include Medicare, Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families (welfare reform), Child Care, Child Welfare, Child Support Enforcement, and Head Start, as well as Substance Abuse Prevention and Treatment block grants, Infectious Diseases, and Biomedical and Medical Research. Performance on several key Secretarial priorities is also discussed. Many of these programs are interrelated and have multiple purposes; therefore, they may contribute to several goals and objectives.

More information on the relationship of HHS programs with net costs, budget functions, and goals is contained in Appendix B. For more detail regarding criteria and sources for selection, and the relationship to resources for the key HHS program performance information discussed in this report, see Appendix C.

HHS has begun to use more than 750 annual performance goals and many more

measures and targets under those goals as a means of directing annual program activities and determining the progress toward those goals. These performance goals and measures assess the processes, outputs, outcomes, and results of the programs. Assessment of HHS' performance can be made by whether targets were met.

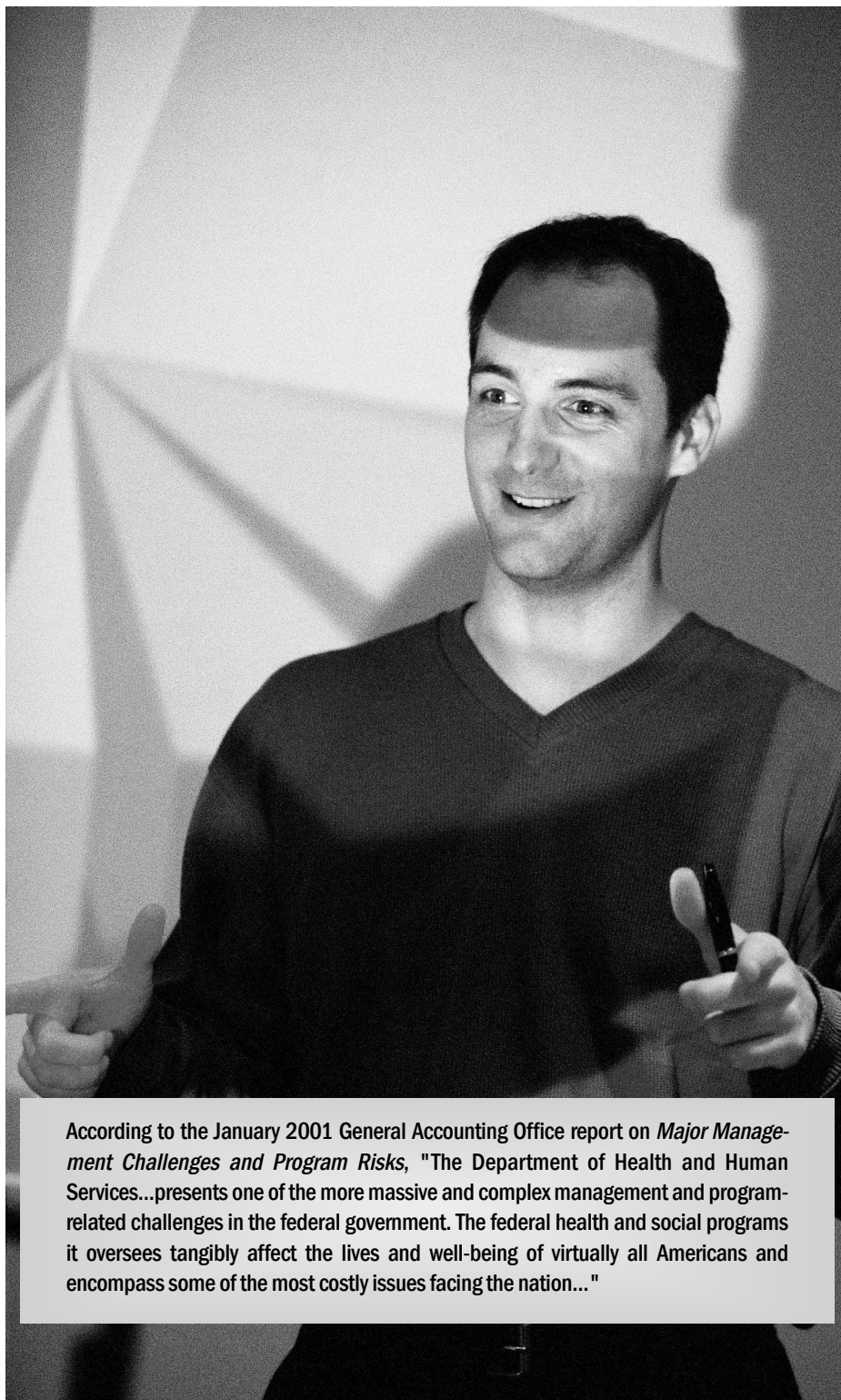
In the discussion of the various programs that follows, it will be clear that for many HHS programs, the targets, outcomes and results can only be achieved with the cooperation and effort of other federal agencies and HHS' many partners. The results discussed here reflect the contributions and efforts of all of these partners.

Third-party government — the delivery of HHS programs via third-party administrative and financing arrangements presents significant challenges for accountability and assessment of performance. Most HHS programs are implemented through grants, cooperative agreements, and contracts with state, local, and tribal governments and non-profit and for-profit organizations. Additional challenges in measuring program

performance may include the nature of the program; the speed with which program benefits can be measured; and delays inherent in relying on program partners to collect and report their data.

The Government Performance and Results Act (GPRA) information presented in this FY 2001 report was the most current data available as of December 1, 2001. The lag in reporting data occurs primarily in programs where HHS must rely on third parties for performance data. In addition, some data collections are not conducted annually. Therefore, assessment of HHS performance can best be determined by a comparison of annual trends from year to year, as more performance information becomes available.

Where FY 2001 data are not available, the report has included activities that indicate HHS' continuing efforts to achieve program performance goals and targets.



According to the January 2001 General Accounting Office report on *Major Management Challenges and Program Risks*, "The Department of Health and Human Services...presents one of the more massive and complex management and program-related challenges in the federal government. The federal health and social programs it oversees tangibly affect the lives and well-being of virtually all Americans and encompass some of the most costly issues facing the nation..."